2007-2008 PERFORMANCE PLAN – Portfolio Manager, Fixed Income
(M. Claybar)

Quantitative Performance Measures

Weight	Factor	Performance Measure	Incentive Schedule
30%	CalPERS Domestic Fixed Income (FI), Internal	Net of Fees, excess return in basis points relative to: Domestic Fixed Income (FI), Internal - CalPERS Custom LEH LPF {SW4KA1 – CALCCLP2}	0 basis points = 0 +40 basis points = 1.0 +60 basis points = 1.5
20%	CalPERS Internally Managed Corporate Bonds	Net of Fees, excess return in basis points relative to: Internally Managed Corporate Bond Portfolio – CalPERS Corp X Sov {SN5KA1 – CALCOXDP}	0 basis points = 0 +40 basis points = 1.0 +60 basis points = 1.5
35%	CalPERS Asset Based Lending	Net of Fees, excess return in basis points relative to: CalPERS Asset Based Lending - PERS Custom Daily LIBOR +1.50% {SW7F - CPERLIB2}	0 basis points = 0 +5 basis points = 1.0 +10 basis points = 1.5
85%	Subtotal	Quantitative Measures	

Qualitative Performance Measures

Weight	Factor	Performance Measure	Incentive Schedule
15%	Leadership	Demonstrate leadership within CalPERS and in the external investment community, as both industry and staff (or team) leaders. Dimensions, all of which will be considered, include: • **Within Investment Group** (e.g., teamwork within and across asset classes, timely preparation of staff performance appraisals, appropriate employee recognition) • **Trustees** (e.g., written and oral presentations to Investment Committee and Investment Policy Subcommittee) • **CalPERS** (e.g. involvement in enterprise-wide initiatives and programs) • **External Investment Community** (e.g., relationships with external business partners and stakeholders, presentations at conferences and similar events, representation on external boards and committees)	From Schedule
15%	Subtotal	**Qualitative Measures**	
100%	Total	**Quantitative and Qualitative Measures**	